

FISCAL NOTE

Nonpartisan Services for Colorado's Legislature

Drafting Number: LLS 19-0855 Date: March 4, 2019 Bill Status: House Education **Prime Sponsors:** Rep. Gonzales-Gutierrez

Fiscal Analyst: Josh Abram | 303-866-3561 Sen. Moreno

Josh.Abram@state.co.us

FINANCIAL AID FOR STUDENTS WITH IN-STATE TUITION **Bill Topic:**

□ TABOR Refund Summary of □ State Revenue □ Local Government **Fiscal Impact:** □ State Transfer □ Statutory Public Entity

> The bill expands eligibility for state-funded financial assistance to students who do not have lawful immigration status, but who are classified as resident students for

tuition purposes at state institutions of higher education.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

This fiscal note reflects the introduced bill.

Summary of Legislation

Under current law, a student who does not have lawful immigration status may be classified as an in-state (resident) student for tuition purposes, under certain circumstances. These students are eligible for the resident tuition rate at state supported institutions of higher education, for stipends from the College Opportunity Fund, and may be eligible for institutional or private financial aid programs. This bill permits these students to also be eligible for certain state-funded student financial assistance programs offered by the Department of Higher Education and administered by the institutions.

Background

Most state funded financial assistance programs are administered by the institutions of higher education. State programs include need-based grants, work-study, merit based grants, the Colorado Opportunity Scholarship Initiative, and tuition assistance for career and technical education certificate programs. For FY 2018-19, total financial aid allocations for these programs was about \$162.3 million. According to the most recent Financial Aid Report from the Department of Higher Education, roughly 72,200 students received some amount of state financial aid. Average awards were about \$2,250 per resident student.

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State Expenditures

The bill does not require an increase in student financial aid appropriations. The bill expands the number of students eligible to receive financial aid from state funded programs administered by institutions of higher education. The potential increase in demand has not been estimated.

For informational purposes only, Metropolitan State University of Denver (MSU) estimates that there are approximately 402 undergraduate students who are without lawful immigration status, but are classified as resident students for tuition purposes. Of these students, about 250 will become eligible for state-funded financial aid assistance with passage of this bill. In the 2017-18 school year, total undergraduate enrollment at MSU was about 20,000 students. The impacts of this bill are assumed to primarily affect smaller institutions and the community college system. This fiscal note will be update if additional student enrollment data is provide by other institutions of higher education.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Higher Education